AG Jennings Warns Investors of Risks of Market Volatility, Reminds Regulated Firms of Customer Obligations

The Delaware Department of Justice Investor Protection Unit is closely monitoring the extreme price volatility of certain stocks and cautioned investors about the risks associated with investing in publicly traded companies that are experiencing volatility.

"It can be risky investing in stocks with extreme changes in price over a short period of time. Investors should understand their risk tolerance when considering such volatile investments," said Attorney General Jennings. Investors have access to a variety of online trading platforms and zero-commission trades that make investing easy, as well as online sources from which to gather information. However, investors should not lose sight of the fact that investments also carry risk. "Investors should always consider the source of their information when deciding to make an investment, and not get caught up in impulsive decisions driven by social media or other online tools, which is a risky way to approach investing," AG Jennings said.

The Investor Protection Unit also called on firms and other regulated entities to ensure that investor protection obligations are being met during recent price volatility in shares of certain publicly traded companies. "Regulated entities have an obligation to their customers. The Investor Protection Unit will work with fellow regulators to ensure that investor protection, fairness and transparency are upheld in the public securities markets," AG Jennings said.

Members of the public can submit tips or complaints to the Investor Protection Unit by email at Investor.Protection@delaware.gov or by calling 302-577-8424.